

FISCAL NOTE

SB 2119 - HB 2382

February 22, 2002

SUMMARY OF BILL:

- Requires a contribution by the state for teachers and retired teachers health or Medicare Supplement insurance based upon the individuals length of service.
- The contribution rate, based on provisions outlined in the bill, would vary between 45% and 80%, depending on the length of service of the local education employee. Under current law, the state through the BEP, pays 45% of the aggregate average healthcare premium of the teacher participants in the Local Education Plan.
- Further requires a service based contribution on behalf of retired teachers participating in the retirees' Medicare Supplement Plan. The contribution rate, based on provisions outlined in the bill, would vary between 45% and 80%, depending upon the length of service the retiree achieved prior to retirement. Under current law, the contribution for retired teachers is a service based fixed dollar amount.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$26,300,000

Increase Local Govt. Expenditures -\$2,600,000

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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